



November 2003

Important Health Benefits News for Benefits Administrators

Upcoming Events

NOV

Nov. 19 - 21 ♦ Medicare retiree rate notification mailed
Nov. 21 ♦ Last day to accept elections for Flexible Reimbursement Accounts

DEC

Dec. 2 ♦ Last day for keying FRA Open Enrollment elections in BES
Dec. 3 - 4 ♦ HR Symposium, John Tyler Community College
Dec. 16 ♦ 2004 Flex enrollment reports in agency FTP folders

JAN

Jan. 1 ♦ Happy New Year and Welcome 2004!
Jan. 1 ♦ New Medicare retiree premiums go into effect
Jan. 14 ♦ General Assembly convenes for 8-week session
Jan. 16 ♦ First payroll deduction for FRA plan year

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Medicare Retiree Notification Update

The Medicare retiree group will experience no changes in copayments, coinsurance or benefits for the plan year that begins January 1, 2004. However, premiums will increase based on the claims cost for individual plans (Advantage 65, Advantage 65 With Dental/Vision, Option I, Option II and Option II With Dental Vision).

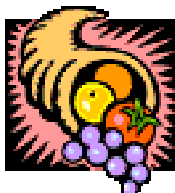
Retiree group members who make no plan changes may continue to use their current ID cards. If plan changes occur, ID cards will be mailed to members about two weeks after the change is received (either in EmployeeDirect or by enrollment form).

Included with the Medicare notification package are a:

- ♣ General notice of the rights of enrollees and their covered dependents to Extended Coverage
- ♣ Notification of Changes to individual plan Member Handbooks
- ♣ Copy of the Open Forum retiree newsletter, and
- ♣ State Health Benefits Enrollment Form for Retirees, Survivors and VSDP/LTD participants.

Please note that the Medicare Options brochure will be available only on the [DHRM Web site](#) and cannot be ordered using a materials order form.

See more in Benefits Administrator
Memo #03-15.



B.A. Bulletin

A Look At FRA Open Enrollment Statistics

As of November 16, more than 2,400 employees in 150 agencies had made elections for Flexible Reimbursement Accounts, with 78% using EmployeeDirect. As you know, [FRA Open Enrollment](#) ends on Friday, November 21. Please remember that:

♣ Employees must make their FRA elections in whole dollars. The total contribution amount for the short plan year *cannot exceed* \$2,500. In some cases, the total may not actually add up to \$2,500.

♣ After an employee makes an FRA election, the estimated plan year amount shown in EmployeeDirect and BES is based on the employee's pay code in BES. For example, if an employee has only six pay periods from January through June of 2004, the most he or she can payroll deduct for each pay period is \$416 for a total of \$2,496.

Just To Remind You...

Dependents who turned age 23 during 2003 will be removed automatically from coverage December 31, 2003.

♣ The system will remove the dependent, and also reduce employee membership if appropriate.

♣ You will receive turnaround documents for all changes.

♣ If a dependent is removed from coverage and later certified as disabled, the Office of Health Benefits will reinstate the dependent and adjust membership as necessary. However, the disability must have commenced prior to the end of the year in which the child turned 23.